C5150-6

Grossman's sells Moore's to British company—page 7

00257175C
MS JEANNE LONG
CONGRESSIONAL INFORMATIO 1GA
4520 EAST-WEST HIGHWAY/STE 800
BETHESDA MD 20814
HC

National
Home Center News
®

SECOND CLASS

Vol. 15, No. 18 $3 a copy The newspaper for retailers serving homeowners and contractors. Published by Lebhar-Friedman Inc. August 28, 1989

Rural lumberyards injected with entrepreneurial blood

By Gary S. Ruderman

MINNEAPOLIS — It doesn't qualify as a trend. But in the upper Midwest there appears to be a slow revitalization of rural lumberyards that only a few years ago seemed on the verge of extinction.

As yards run by chains retreated from rural areas and old independents who could not survive the continuing depression went under, eager entrepreneurs with new ideas entered the fray. They've taken abandoned yards and have begun reopening them around the upper midwest.

"The numbers don't spell much of a resurgence, but there's a levelling off [of closings] and a minor resurgence in some markets," observed Gary Smith, executive director of the Northwestern Lumbermens Association in Minneapolis, responsible for monitoring yards in Iowa, Minnesota, and the Dakotas.

According to the association, three new yards have opened in Minnesota in the last year, halting a five-year decline.

More than one yard needed

Darwin Klabunde is one who dared to take on the market where others failed. Klabunde was working as a contractor salesman for a lumberyard 200 miles away from tiny Luverne, Minn., where in July he bought a 2,700-square-foot unit that was closed by United Building Centers three years ago.

"I saw a need for more than one yard to serve the community," said Klabunde after the August 7 opening of his new Rock County Lumber in this unit. "We'll go the extra mile for our customers with service," said his wife and partner Lois. Rock County will be competing primarily against the local Lampert Lumber.

These sentiments might seem naive, though, to dealers who have abandoned the market. Indeed, the reasons for yard closings in this part of the country were easier to figure than the reasons for reopenings.

"With the economy, lumberyards, hardware stores, auto dealers and the like all faced the same problem: there wasn't enough money to support more than one type of business in small communities," explained Harlan Hummell, executive vp of the National Lumber and Building Material Dealers Association

(Continued on page 49)

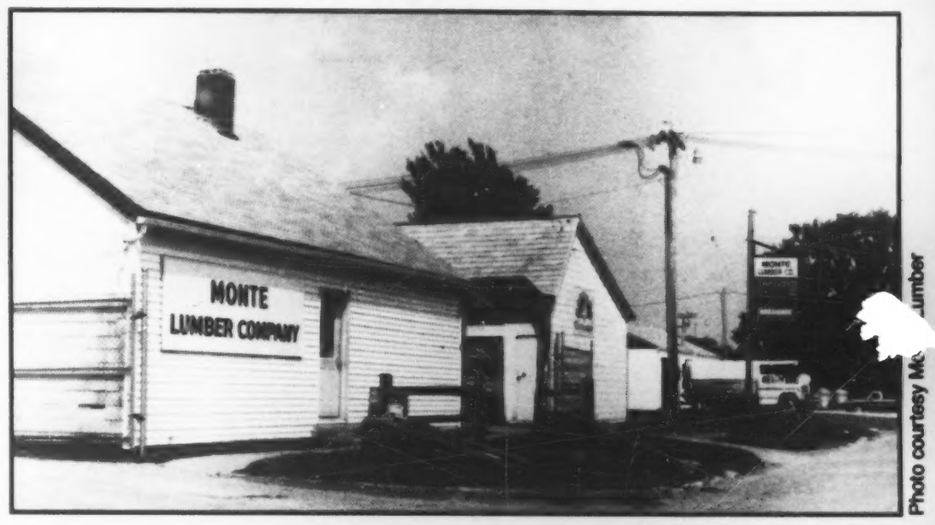


Photo courtesy Monte Lumber

The chart below shows that the number of independent yards in the rural Midwest continues to shrink. But young entrepreneurs are braving the odds and reopening shuttered units, and pursuing new business aggressively. Monte Lumber, a shuttered unit that was reopened by two local contractors, is one of those yards.

LUMBERYARDS in the Upper Midwest

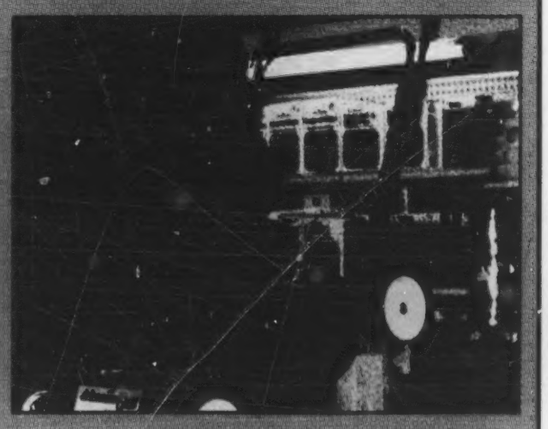
	IOWA	MINN.	N.D.	S.D.
1983	656	726	216	236
1985	607	697	217	226
1987	496	627	188	210
1989 (YTD)	479	607	163	204

Source: Northwestern Lumbermen's Association, Minneapolis — *NHCN* chart

PERSPECTIVES

The changing face of philanthropy 19

BUYING & SELLING



'No dump' bans could increase mulcher sales 31

Rickel names Robert Harrow president, formerly headed Grossman's eastern div.

By John Caulfield

SOUTH PLAINFIELD, N.J. — Robert Harrow, who until this March was president of the Eastern division of Grossman's Inc., has been named president of the 51 unit Rickel Home Centers here, a competitor of Grossman's in a half dozen markets in the Northeast.

Rickel has also named Moshe I. Meidar as its chairman. Meidar, the president of Primacor, Inc., had previously been retained as a consultant by Rickel to help that chain devise an action plan to compete against new competitors moving into its market, including The Home Depot, Hechinger and Builders Square (*NHCN*, Aug. 14).

"Bob Harrow and Mo Meidar will be bringing new leadership to Rickel which will position the division for aggressive growth," said Ken Peskin chairman and ceo of Supermarkets General Corp., Rickel's parent, in a prepared statement.

NHCN photo

Robert Harrow

Harrow, a tall, soft-spoken, affable man who will be 61 years old on Sept. 3, is replacing Chuck Davis, who resigned from Rickel after 28 years with that chain.

"We've got to find and develop a more distinct identity for Rickel," said Harrow, in a telephone interview from his home in Newton, Mass. He nevertheless insisted that Rickel had "many strengths," including its appeal to female shoppers.

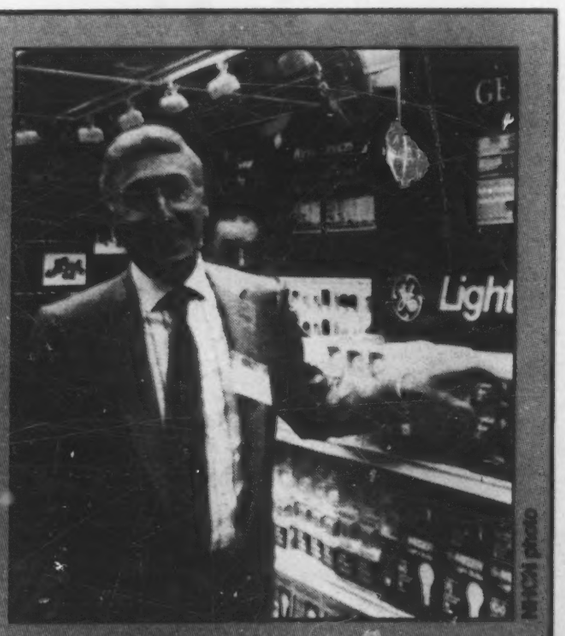
(Continued on page 49)

Special Hardware Show coverage—page 7

Hardware Industry Week

Bernie Marcus, the chairman of The Home Depot, looking over some of the products on display at The National Hardware convention held in Chicago earlier this month.

The show, attended by more than 78,000 people, found dealers and suppliers looking to hold onto each other tighter as the home improvement industry spins furiously with buyouts, takeovers and intense competition.



NHCN photo

INDUSTRY UPDATE

Ward White rejects new offer

LONDON — Ward White, the British parent of the Payless DIY chain, rejected a sweetened, though hostile, acquisition offer by The Boots Company, Britain's largest drug store chain.

Boots' latest offer, made Aug. 4 and said to be final, was boosted to the equivalent of around $7.30 per share, or $1.49 billion, compared to its initial bid, made one month earlier, of $6.50 per share, or $1.3 billion.

The drug company has also offered a stock swap to Ward White shareholders. For each share, they would receive a share of new Boots stock and around $2.40 per share in cash. Boots expects to issue 140 million new shares of stock if this were accepted. The offer was scheduled to close Aug. 22.

Ward White, according to *The Wall Street Journal*, said that it expected a higher offer from a rival bidder.

Home Depot Mass. debut slated

BOSTON — Home Depot will open its first store in the Massachusetts market in the town of Attleboro, Mass., in March of next year.

NHCN has learned from knowledgeable real estate sources that the unit is scheduled to be 117,180 square feet (including a garden center, which in a typical Home Depot is 10,600 to 15,000 square feet) on 11 acres of land.

Attleboro is about 25 miles southwest of Boston, and is actually much closer to Providence, R.I.

Home Depot is looking at several Boston-area locations, although vp-real estate Bill Harris declined through a secretary to reveal other area sites the company is either contemplating or has accepted.

Starrett income drops 8.8%

ATHOL, Mass. — L. S. Starrett, the tool and level supplier here, reported an 8.8 percent drop in quarterly net income for the period ended June 24. But its sales remained strong and the company's revenues and profits for the year were ahead of 1988.

For the latest three months reported, Starrett's sales increased 6 percent to $47,428,000. But net income declined to $3.6 million, or 56 cents per share.

Its fiscal year, though, showed better results. Sales grew by 8.5 percent to $184,317,000. And profits increased modestly by 3.2 percent to $16,359,000, or $2.36 per share.

Roger Wellington, Starrett's chief financial officer, told *NHCN* that the fourth quarter results were attributable in part to fiscal and monetary policies in Brazil, where Starrett gets around 15 percent of its business.

"Our sales held up pretty good there, but that country's been undergoing a recession, and there's been a price freeze since January," Wellington explained.

NHD Stores post 11% sales gain

STOUGHTON, Mass. — NHD Stores, the 33-unit chain based here, reported a more than 11 percent gain in sales for the quarter ended July 29.

Buoyed by a strong July, during which sales rose 20 percent to $5,014,000 and comparable store volume increased 16.2 percent, NHD's sales for the three months totaled $17 million, an increase totaling 11.6 percent. Comp-store volume for the quarter grew by 5.2 percent

Stanley/Bostitch completes buy

NEW BRITAIN, Conn. — Stanley Works here completed the purchase of The Parker Group, a fastening products manufacturer based in Northboro, Mass. The acquisition price was not disclosed.

The Parker subsidiary will be part of Stanley's Bostitch division, based in East Greenwich, R.I. The 400-employee company makes fasteners and other products in plants located in Northboro and Southbridge, Mass., and in West Greenwich, R.I.

For editorial, advertising or subscription information call NHCN's *main offices at:*

212-371-9400

EDITORIAL: EXT. 229

SALES: EXT. 236

SUBSCRIPTION: EXT. 379 or 419

Available for calls 9-5:30 (E.S.T.)

Amdura investor makes hostile bid; seeks to replace board

By Tim O'Malley

DENVER — Debt and erratic earnings over the past five years have made Amdura Corporation, the parent of CoastAmerica and Farwell, Ozmun & Kirk, vulnerable to a potential takeover by its largest stockholder.

New York City investor Frank Cilluffo, in an Aug. 17 filing with the Securities and Exchange Commission (SEC), said he would attempt to replace Amdura's seven-member board with a slate of directors that includes former Defense Secretary James R. Schlesinger and retired Army Gen. Edward C. Meyer. Schlesinger works for Shearson Lehman Hutton and Meyer is an investor in Cilluffo Associates.

A pension fund manager, Cilluffo has purchased progressively more of Amdura's stock over the last year, and now owns 18 percent in conjunction with Zenith Associates, an investment group. His buying spree drove the price of Amdura's stock from just over $9 a share in June 1988 to $14.25 at press time.

As stock analysts evaluate Cilluffo's move, Amdura's ceo Robert Nassau and other officials traveled from the corporate headquarters here to New York, presumably to meet with Cilluffo.

Cilluffo's intentions were clarified in an Aug. 10 SEC filing, where he revealed his displeasure with the current board of directors, accusing it of failing to "take into consideration the best interests of stockholders" by amassing debt to buy CoastAmerica.

When Amdura acquired Coast last fall, it made two loans—for $60 million and for $40 million—on top of an existing $100 million debt. The corporation retired the former loan in March by selling three companies, and is now considering a variety of options, including a stock offering, to retire the remaining loan.

(Continued on page 49)

Former Wickes Cos. vp picked to head Diamond Lumber parent

By Tim O'Malley

DALLAS — Bernard Kritzer, a one-time vp for the Wickes Cos., has been named interim chairman and ceo of the 62-unit Diamond Lumber Inc. and its parent, Michigan General Corporation.

As the corporation announced Kritzer's appointment, it also closed two Diamond yards—in South Portland, Maine, and Grotton, Conn.—and completed the sale of its other subsidiary, Savannah Wholesale Company. The latter netted $11 million.

Kritzer, lured out of retirement by Michigan General executives, said he plans to serve only until a permanent ceo is located and is "prepared to stay on as long as necessary—six or eight months."

Photo courtesy Wickes Cos.

Bernard Kritzer

He replaces Ralph Shapiro, who retired as ceo but will remain on Michigan General's board of directors. In that capacity, he will continue to head a search committee formed to find his permanent replacement.

Big job ahead of him

Kritzer was a vp at Daylin Corp. before his tenure at the Wickes Cos. from 1974 to 1986, and briefly ran Wickes' Builders Emporium chain. He enters the picture at a time when Diamond has been hurt by the national decline in housing starts. Eighty percent of the company's sales are from contractors.

He also comes in at a time when Diamond has undergone considerable management turnover. Executive vp-marketing and operations Jim

(Continued on page 52)

Refocused Weyerhaeuser looks to sell off nursery products cos.

By an NHCN staff editor

TACOMA, Wash. — Weyerhaeuser Co. is selling off its nursery products companies in a continuing effort to refocus on its core forest products business.

The sale, announced last month, includes Weyerhaeuser Garden Supply, the nation's largest wholesale distributor of lawn and garden supplies. Last year, Weyerhaeuser Garden Supply posted sales of $117.3 million.

According to Weyerhaeuser, it is the largest distributor of Ortho Chemical products in the nation. Garden Supply's largest customers are Builders Square, Ernst Home & Nursery, Wal-Mart and K mart.

The four garden supply companies owned by Weyerhaeuser had total sales of $279 million last year. Two other companies, Weyerhaeuser's Tissue Culture Center (horticultural research) in Florida and its Specialty Plants business, a preserved plant company, made up the rest of Weyerhaeuser's total $328 million in garden and nursery sales last year. Total garden and nursery sales for 1987 were $292 million.

Chemical Bank Investment Banking, New York, was retained to handle the sale of the division.

Not part of new strategy

While the garden supply businesses were profitable, well managed and on a strong growth track, Weyerhaeuser president John Creighton Jr. said they fell "outside our strategic focus for the 1990s." Over the past three months, the company has been selling assets outside of its core businesses that include land, timber, wood products and paper.

(Continued on page 50)

INDEX

PERSPECTIVES: The Changing Face of Philanthropy 19
Cover Story 20,21
Systems & Operations 24
Independents 26

BUYING & SELLING: Lawn mowers and fertilizers 31
Merchandising 36,37,38
Merchandising Digest 44
Stocks/Financial 47

Editorial 16
Classified 41-44
Advertisers Index 52
Company Index 52

Business Watch

stocks

Square D expands automation division with new acquisition

By an NHCN staff editor

PALATINE, Ill. — Square D, the electricals supplier here, has acquired Crisp Automation, a Dublin, Ohio-based designer of process controls and factory automation systems.

The company was purchased from Joy Technologies in Pittsburgh. Crisp Automation will operate as part of Square D's Automation Products division. The sale price of the acquisition was not disclosed.

The acquisition occurred simultaneous to Square D's reporting of its quarterly and six-month sales and earnings for the period ended June 30. For the latest three months, the company's revenue rose 11.5 percent to $454.4 million, while net income increased a modest 3.5 percent to $32.2 million, or $1.28 per share.

For the first half of its fiscal year, Square D's sales jumped 10.9 percent to $885.7 million. Earnings growth was slower, however, rising 2.2 percent to $59.8 million, or $2.37 per share.

In a prepared statement, company president Jerre Stead expressed satisfaction with his company's results, and noted that second quarter earnings benefited from an increase in operating margins to 13.1 percent from 12.2 percent a year earlier.

While international sales were strong, despite currency shifts, Square D also reported that its income levels were adversely affected by: a loss recorded by its copper foil joint venture in Japan; by a stock buyback program (average shares outstanding declined nearly 8 percent to 25.2 million during this period); and by "a higher effective tax rate."

Public cos. make strong showing

The two weeks ended Aug. 8 were particularly strong for public companies in the home improvement industry. Only 11 out of the 47 dealers, wholesalers and manufacturers tracked for *NHCN* by Media General showed declines in their stock prices. But there was little in the way of erratic movement, up or down, in most companies shares.

One of those was Wolohan Lumber, whose stock has generally been strong throughout the summer. Its price fell 63 cents to $17.50 per share. NHD Stores, the Massachusetts-based chain, lost the exact same amount from its stock price, which fell to $8.13.

However, gains were modest for the winners. Lowe's approached its 52-week high of $28 per share with its gain of $1.75 to $27.75. Home Depot, whose slower comp-store sales growth has made some analysts nervous lately, saw its stock jump $1.25 per share to $31.50.

There were greater price swings among manufacturers' stock. Cooper Industries increased $4.63 to $37.88 during the period. Georgia-Pacific also thrived, as its stock price improved by $3.38 to $55.38 per share.

Among those whose stock price fell was Masco Corp., which declined $1.50 to $28.38 per share. PPG Industries lost 88 cents to end the two weeks at $44.13.

National Home Center News HOME CENTER MARKET SUMMARY

Covering The Period 07/28/89 - 08/11/89

Company (Exchange)	Symbol	STOCK PRICE High	Low	Close	Change Amt	Change Pct	52-Week High	52-Week Low	VOLUME Total Volume This Period	% Shrs. Outstanding	Average Daily Vol. Last 52 Week	Average Daily Vol. This Period	EARNINGS/SHARE Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change Amt		Change Pct	5-Year Annual Growth Rate	Profit Margin	P/E Latest P/E Ratio	DIVIDENDS Indicated Dvd. Rate Amt.	Yield	Last X-Dvd. Date	FINANCIAL POSITION Last Fiscal Year Revenue	Earnings	Current Ratio	Last Fiscal Year (Per Share) Long Term Debt	Common Stock Equity	Last Balance Sheet Date
-	-	$	$	$	$	%	$	$	(100)	%	(100)	(100)	$	$		%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$	-
Retailers																												
Gen Bldg Prods (O)	GBLD	3.75	3.00	3.50	.25	7.69	5.75	2.75	1,857	4.67	42	186	-.06	-.86	S	-100.0	NC	-.3	NE	.00	.0	00-00-00	79.3	-.2	4.6	5.48	4.01	1188
Grossman's Inc (O)	GROS	8.13	7.13	7.88	.38	5.00	9.75	4.88	23,335	8.93	2,043	2,334	.50	-.02	S	-3.7	NC	1.2	15.1	.00	.0	00-00-00	1141.6	13.2	1.8	6.15	3.88	1288
Hechinger A (O)	HECHA	19.00	18.25	18.88	.75	4.14	19.50	15.88	8,782	4.29	1,027	878	NA	NA		NA	NA	NA	NA	.16	.8	07-31-89	NA	NA	NA	NA	NA	NA
Hechinger B (O)	HECHB	18.75	18.13	18.50	.75	4.23	19.50	15.50	561	.37	70	56	1.30	.10	Q	8.5	16	4.8	14.6	.06	.3	07-31-89	1019.4	48.8	3.9	4.95	10.14	0189
Home Depot (N)	HD	32.50	30.50	31.50	1.25	4.13	32.50	15.25	21,001	2.81	2,238	2,100	1.00	.27	Q	33.3	45	3.8	29.2	.12	.4	07-11-89	1999.5	76.8	1.7	1.45	5.16	0189
K mart Cp (N)	KM	42.25	39.75	40.63	.13	.31	42.25	31.25	81,036	4.07	6,368	8,104	4.00	.44	Q	12.8	13	2.9	10.5	1.64	4.0	08-11-89	27301.0	833.0	2.0	14.78	25.13	0189
Lowe's Cos (N)	LOW	28.00	26.00	27.75	1.75	6.73	28.00	18.75	7,968	2.15	595	797	1.83	.23	Q	14.4	3	2.7	15.2	.48	1.7	07-10-89	2516.9	69.2	2.0	5.12	15.80	0189
NHD Stores (O)	NHDI	8.75	8.00	8.13	-.63	-7.14	9.50	5.25	565	4.34	29	57	.79	.21	Q	38.9	12	1.9	10.8	.00	.0	09-16-86	51.4	1.0	2.1	4.07	7.14	0189
Natl Lumber (O)	NTLB	2.50	1.88	2.25	.25	12.50	3.00	1.75	611	1.08	42	61	-.82	-1.07	Q	NC	NC	-3.0	NE	.00	.0	00-00-00	152.0	-4.6	1.2	.21	2.86	0189
Scotty's Inc (N)	SHB	16.50	16.00	16.50	.50	3.13	16.63	10.50	259	.18	257	26	.76	-.50	N	-63.3	-21	2.0	56.9	.52	3.2	07-06-89	550.8	11.1	2.1	3.58	12.20	0688
Sears, Roebuck (N)	S	47.25	46.00	46.25	.25	.54	48.13	34.75	64,742	1.75	8,922	6,474	2.40	-1.44	Q	-35.4	-6	1.8	17.6	2.00	4.3	08-22-89	50407.8	909.5	.0	26.15	37.75	1288
Std Brd Pnt (N)	SBP	18.00	16.63	17.00	.00	.00	19.38	11.75	3,036	5.31	372	304	.57	-2.27	N	-100.0	NC	2.1	NE	.00	.0	08-11-87	305.5	6.5	2.9	16.51	4.04	0188
Strober Organiz (O)	STRB	5.25	4.63	5.00	.25	5.26	10.50	4.63	324	.53	55	32	.64	-.18	Q	-23.7	13	2.8	8.6	.00	.0	00-00-00	140.4	3.9	1.7	1.09	4.93	1288
Wolohan Lumber (O)	WLHN	18.38	17.25	17.50	-.63	-3.45	27.00	14.25	721	1.22	197	72	1.92	.26	S	15.2	45	4.3	8.9	.28	1.6	08-28-89	257.8	11.2	2.6	4.79	9.02	1288
Wholesalers																												
Hughes Supply (N)	HUG	19.88	19.00	19.50	-.25	-1.27	21.88	16.50	1,156	2.38	56	116	1.99	.08	Q	4.2	10	1.9	9.9	.36	1.8	07-31-89	501.9	9.7	3.0	15.72	18.88	0189
Moore-Handley (O)	MHCO	3.75	3.75	3.75	.00	.00	4.75	3.75	60	.26	13	6	-.17	-.20	S	NE	NC	-.5	NE	.20	5.3	10-03-88	99.7	-.5	2.0	3.18	5.98	1288
Manufacturers																												
Am Consum Prods (O)	ACPI	8.75	8.50	8.50	-.25	-2.86	11.50	8.50	39	.15	13	4	.70	.01	S	1.4	NC	2.3	11.6	.00	.0	06-08-88	78.6	1.8	4.3	7.33	5.40	1288
Am Woodmark (O)	AMWD	13.75	12.75	13.00	-.63	-4.59	13.75	9.00	385	.51	46	39	.70	.11	N	14.1	NC	4.1	14.6	.00	.0	05-24-88	129.5	5.3	1.9	4.00	4.41	0488
Armstrng Wrld (N)	ACK	49.50	46.25	49.25	1.75	3.68	50.88	31.75	24,724	5.34	2,003	2,472	3.51	.02	S	.6	18	6.1	14.1	1.06	2.2	08-07-89	2680.3	162.7	1.2	4.02	21.73	1288
Black & Decker (N)	BDK	24.25	22.38	23.63	.38	1.61	25.25	18.13	40,337	6.87	2,656	4,034	1.65	-.11	N	-7.3	4	4.3	16.9	.40	1.7	09-01-89	2280.9	97.1	1.7	4.73	12.38	0988
Boise Cascade (N)	BCC	47.25	44.63	46.13	1.00	2.22	47.25	35.25	14,467	3.24	1,468	1,447	6.34	1.42	S	26.9	40	7.1	6.9	1.40	3.0	09-11-89	4094.6	289.1	1.3	20.59	37.34	1288
Champ Intl (N)	CHA	37.75	33.88	35.63	1.63	4.78	37.75	29.50	35,833	3.76	3,021	3,583	4.80	.89	S	22.0	NC	8.9	7.2	1.10	3.1	06-12-89	5128.5	456.4	1.4	20.00	35.05	1288
Clairson Intl (O)	CLIC	7.50	7.44	7.44	-.06	-.83	7.50	2.75	1,503	2.95	210	150	.55	-1.03	N	-100.0	NC	3.3	NE	.00	.0	00-00-00	82.0	2.7	1.8	3.54	3.89	0987
Cooper Indus (N)	CBE	37.88	32.13	36.50	4.63	14.51	37.88	25.06	34,164	3.35	2,106	3,416	2.21	.46	S	24.1	21	5.3	15.4	1.00	2.7	09-12-89	4258.3	224.4	1.7	11.54	17.47	1288
DeSoto Inc (N)	DSO	37.38	36.63	37.13	-.25	-.67	52.50	29.75	1,017	2.53	384	102	.79	-2.16	S	-100.0	NC	.8	NE	1.40	3.8	07-21-89	402.5	3.2	1.8	12.33	24.29	1288
Georgia Pacific (N)	GP	57.88	52.00	55.38	3.38	6.49	57.88	33.25	28,161	2.97	2,404	2,816	4.76	1.70	S	38.7	44	4.9	9.1	1.40	2.5	08-07-89	9509.0	467.0	1.9	26.51	27.79	1288
La Pacific (N)	LPX	40.25	36.75	38.00	1.00	2.70	40.25	26.00	20,295	5.44	938	2,030	4.02	-.05	S	-1.2	41	8.5	9.2	1.00	2.6	08-08-89	1799.4	153.6	3.3	9.92	30.51	1288
Macmillan Bloedel (O)	MMBLF	17.00	15.88	16.63	1.00	6.40	17.25	13.88	5,917	.58	550	592	2.58	-.23	S	-9.3	NC	10.1	7.4	.80	4.8	08-07-89	2743.8	276.4	.0	.00	.00	0000
Manville Cp (N)	MVL	8.75	7.50	8.50	.88	11.48	8.88	6.38	11,890	3.02	NC	1,189	.79	.79	F	NC	NC	4.7	10.8	.00	.0	00-00-00	2062.2	96.0	1.7	22.06	7.39	1288
Masco Corp (N)	MAS	30.38	27.88	28.38	-1.50	-5.02	31.13	23.63	46,030	3.35	3,021	4,603	2.10	.17	Q	9.3	17	11.8	14.2	.52	1.8	07-17-89	2438.6	288.3	3.0	7.30	11.30	1288
Mor-Flo Inds (O)	MORF	6.50	6.00	6.50	.50	8.33	7.75	4.75	237	.94	21	24	-1.11	.45	Q	NE	NC	-1.3	NE	.01	.2	12-09-88	218.0	-2.8	1.8	12.85	14.08	1288
Newell Co (N)	NWL	46.50	42.25	44.25	.25	.57	46.50	21.50	6,833	2.33	539	683	2.18	.96	S	61.9	24	6.2	17.6	.88	2.0	08-09-89	988.2	61.4	1.7	6.56	11.19	1288
Nortek Inc (N)	NTK	9.25	8.50	9.00	.38	4.35	10.38	6.38	2,916	1.97	378	292	.90	1.28	Q	NE	NC	1.1	21.4	.10	1.1	06-30-89	1224.2	13.2	2.9	38.65	16.34	1288
Owens Corn (N)	OCF	36.38	33.25	35.25	1.00	2.92	36.38	19.50	14,188	3.53	1,170	1,419	4.71	4.88	S	NC	NC	7.0	7.2	.00	.0	00-00-00	2831.0	-197.0	1.2	32.73	-15.18	1288
Ply-Gem (A)	PGI	13.88	12.88	13.13	.00	.00	15.00	11.38	2,354	2.20	216	235	1.41	.15	S	16.5	13	4.1	12.4	.12	.9	08-14-89	383.7	15.9	4.0	7.71	9.37	1288
Pope & Talbot (N)	POP	29.75	27.13	28.88	1.88	6.94	29.75	16.13	3,140	2.66	245	314	2.68	.77	S	31.8	NC	6.2	9.1	.60	2.1	07-25-89	515.0	31.9	1.9	6.24	13.05	1288
Potlatch Cp (N)	PCH	38.63	35.50	37.63	2.13	5.99	38.63	29.00	5,771	2.00	366	577	4.04	.87	S	24.6	33	10.4	8.6	1.04	2.8	08-10-89	1084.1	112.4	2.4	13.66	24.97	1288
PPG Inds (N)	PPG	45.38	43.75	44.13	-.88	-1.94	46.00	36.25	20,506	1.77	1,651	2,051	4.26	.35	S	9.0	17	8.3	10.4	1.52	3.4	08-04-89	5638.7	467.6	1.5	8.00	20.48	1288
Rep Gypsum (N)	RGC	5.50	5.13	5.25	-.13	-2.33	6.25	4.25	288	.29	64	29	.20	.03	N	14.3	-22	3.8	21.9	.20	3.8	08-25-89	52.1	2.0	3.4	1.09	3.16	0688
Sherwin-Wms (N)	SHW	35.75	32.00	35.13	2.63	8.08	35.75	24.88	19,933	4.63	1,088	1,993	2.30	.09	S	3.9	13	5.2	14.7	.70	2.0	08-21-89	1950.5	101.1	2.0	3.01	13.97	1288
Stanley Works (N)	SWK	38.38	36.50	37.63	1.13	3.08	38.38	24.00	7,960	1.86	969	796	2.40	.40	S	18.3	10	5.4	14.5	.96	2.6	06-06-89	1909.0	103.5	2.7	7.93	16.31	1288
Thos Inds (N)	TII	20.50	19.25	20.25	1.00	5.19	23.31	18.13	1,135	1.11	108	114	1.62	.02	S	1.2	5	5.1	12.0	.72	3.6	08-28-89	347.6	17.7	2.7	.00	12.25	1288
Union Camp (N)	UCC	41.13	37.25	39.25	2.00	5.37	41.13	31.00	22,039	3.20	1,620	2,204	4.25	.97	S	26.9	19	11.1	8.6	1.48	3.8	08-28-89	2660.9	295.2	2.4	9.13	22.66	1288
USG (N)	USG	4.75	4.38	4.38	-.25	-5.41	7.63	4.25	11,254	2.09	1,701	1,125	2.38	-1.68	S	-61.5	NC	5.6	4.2	.00	.0	00-00-00	2248.0	125.5	1.0	44.16	-27.26	1288
Waxman Inds (N)	WAX	8.63	7.88	8.38	.38	4.69	10.38	7.00	326	1.00	278	93	.71	.14	N	22.2	22	4.3	10.9	.10	1.2	06-26-89	152.4	6.6	2.6	3.63	2.27	0688
Weyerhaeuser (N)	WY	32.63	29.63	31.25	1.00	3.31	32.63	23.25	72,549	3.55	4,418	7,255	2.68	.41	S	16.7	27	5.6	10.9	1.20	3.8	07-24-89	10013.9	564.4	.0	16.55	19.86	1288

All Data are based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting period
3 mos.—First quarter of fiscal year
6 mos.—First six months of fiscal year
9 mos.—First nine months of fiscal year
Fiscal—Fiscal year
NEW—New report since last issue

Last 52 Weeks

General Field Footnotes
NA—Not available or not applicable
NC—Data required for calculation currently incomplete in our files
NE—Negative earnings invalidate calculations
NM—No meaningful figure
a—Under dividend amount, indicates a stock dividend
b—Indicates cash plus stock dividend when applied to dividend amount column

P/E Ratio—Price/earnings ratio
E.P.S.—Earnings per share
Market
N—New York Stock Exchange
A—American Stock Exchange
O—NASDAQ Over-the-Counter
M—NASDAQ National Market

*Two-week average volume equals the number of shares traded divided by the number of shares outstanding during the latest two-week period. Twelve-week average volume equals the number of shares traded divided by the number of shares outstanding over the previous 12 weeks.

All earnings data and all related calculations using earnings data use primary earnings from total operations and after taxes. Earnings are before extraordinary items, when such items are applicable.

Data and Table Provided by Media General Financial Services Inc., Richmond, Va. 23219

Rural lumberyards injected with entrepreneurial blood

(Continued from page 1)
in Washington, which has 10,000 members in the U.S. and Canada.

But the move by new owners to reopen these stores does have some rationale:

- Chains abandoned smaller markets, and left behind experienced management that was eager to find local capital to reopen yards;
- Suburban areas pushed new home developments closer to rural areas; and
- There was a general improvement or at least a leveling off of the economies in the upper Midwest.

Aggressive attitude works

As far as closings went, Iowa has been hardest hit, Smith said, losing 43.7 percent of its yards since 1971 when the state boasted 850, including the original Payless Cashways store in Pocahantas, Iowa. But a decision to reopen and take an aggressive stance appears to be working in tiny Montezuma, Iowa.

The new Monte Lumber in Montezuma is owned by two local contractors who purchased the yard from the Minneapolis-based Fullerton Lumber chain two years ago. Monte is outstripping Fullerton's sales by more than three-to-one because they're more aggressive, claim its new managers.

"Competition was coming into town and taking away sales" with better pricing, recalled Monte store manager Pete Ross. Now Monte is attacking competitors' markets in Iowa City and Grinnel, Iowa. Contractors account for 70 percent of Monte's sales.

"The Fullerton people weren't very aggressive or competitive. They just sat around waiting for business to come in," said Ross. Now he's intent on making more sales at lower, but more realistic prices. Monte Lumber is using a variable price program from its wholesaler and getting out and selling on job sites. The changes have meant 1988 sales of $950,000, easily surpassing the Fullerton's unit 1986 sales of just $250,000.

The Fullerton yard had just two fulltime employees, Ross said; Monte Lumber has six.

Larry Williams is another of the new breed. When the nine-unit Frudden Lumber, based in Dubuque, Iowa, closed its stores this year, Williams bought its unit in Ackley, Iowa. He says more aggressive management makes the difference for the new independent lumber yards.

"The other [owners] did not realize the potential in this area," Williams said.

Since taking over in February, his Four County Building Supply has outstripped Frudden's sales. According to Williams, the previous owners averaged less than $160,000 a year in sales. "We did one third of that in May. It looks like it will pay all the bills right away, even if we're not making a lot of profit."

Some things never change

Even this aggressive stance can't help the weather which slowed Four County's sales in July. "If it doesn't rain soon it's going to be a long winter."

Unfortunately, the only "rain" that Four County is getting is in the form of direct mail from United Building Centers in Iowa City, and Payless Cashways and Menard's units 40 miles away in Waterloo, Iowa, that's pelting homeowners here.

Williams concedes competitors' efforts are very effective as local builders look for bargains, even if they have to travel to get them.

NHCN intern Sheridan Chaney assisted in reporting this article.

Rickel Home Centers names new president, Robert Harrow, formerly head of Grossman's eastern div.

(Continued from page 1)
"We'll be synthesizing ideas from the industry in developing our programs for a 'new' Rickel." In the past three months, Harrow has been traveling extensively around the country looking at different retail formats.

The new Rickel corporate management was officially introduced to 150 vendors and manufacturers' reps at an impromptu cocktail party that Rickel held at the Hilton Towers during the Monday night of the Hardware Show. There, Harrow said that Meidar has already begun developing programs to "improve Rickel's current operations," including the development of a greatly expanded import program.

Harrow told *NHCN* that immediate attention will also be given to Rickel's stores' housekeeping and customer service.

Ran chain's eastern div.

Harrow brings to Rickel Home Centers a wide-ranging retail experience that includes positions as assistant to the president of Arlans Department Stores; as a vice president and director of stores for the Bradlees division of Stop and Shop; and, for the last 16 years, as an executive with Grossman's.

During this latter period, he was executive vp and general manager of the Braintree, Mass.-based company's Grossman's division until 1986, when he became an executive vp with the corporation that includes the Moore's chain as well as stores in northern and southern California.

Harrow was promoted to the president of Grossman's eastern division on January 20, 1987, the third ranking position in the company. He served in that post until March 1 of this year, when he was made executive vp-new ventures, and began researching the possibility of transplanting Grossman's successful warehouse operations in southern California onto the East Coast.

Battle-ready

However, to many this change seemed to represent a diminution of responsibilities for Harrow, as the company hired Bruce Weitz from the supermarket industry to be its executive vp. It may also have precipitated his departure from the company.

If Rickel, in preparing for the oncoming market wars with warehouse competitors, wanted someone who was battle-ready, they've found him in Harrow, who, along with a handful of other Grossman's officials, is credited with keeping the rank and file from abandoning ship when the company went into Chapter 11 as part of Evans Products in March of 1985.

Born in New York City, Harrow is a graduate of George Washington University and an Army veteran. Meidar, whose previous positions include serving as president of Prime Asset Management in Columbus, Ohio, and in various executive capacities with I.U. International, holds a B.A. from Philadelphia College of Textiles and a masters degree from Lehigh University.

Optimism in the air at this year's International L&G expo

(Continued from page 6)
effects of climate, said to expect more extreme conditions, both hot and cold, over the next 20 years. Overall, he discounted the greenhouse theory, which states the climate is warming because of pollutants being released into the atmosphere.

"The major misinformation that people are given these days is that it's getting warmer," Browning told the audience. In fact, he predicted that in just 20 years, crops grown now will have to be raised in areas 400 miles to the south to escape the colder weather.

But last year's drought was still on the minds of several who attended the show, especially those who were concerned about how the weather would affect their inventory levels.

Consumers who waited to buy lawn and garden products until after the drought apparently won big since suppliers in this area often teamed up with dealers to move merchandise.

For instance, Dewayne Rendel, president of the Rendel Co., a single-unit operation in Murencl, Mich., said Simplicity added a $100 rebate last fall to go along with the sale he ran to push mowers. In some cases, that resulted in $250 savings for shoppers, he said.

"We cleaned out everything," Rendel said and added, "inventories are as low as they've ever been."

Roger Gast, president of Gast & Sons, a one-unit store in Caledonia, Wis., had also been "overstocked," but likewise emptied inventories with the help of factory rebates.

Mostly equipment

This remains primarily an outdoor power equipment buying show, with lawn and garden suppliers waiting for the National Hardware Show in Chicago, which followed just two weeks later.

Terry Keenan, director of sales and marketing at the Arnold Co., a Cleveland supplier of gardening tools and lawn mower accessories, noted home center buyers dropped by his booth to say hello but they wouldn't close deals since they'll all meet again at the Hardware Show.

Keenan explained this is the only show for those buyers to deal with OPE suppliers, so the buyers spent most of their time with them.

Ronnie Stapp, a vp at Pennington Seed, Inc., Madison, Ga., echoed the same thought by saying Pennington had a booth in Louisville for the exposure, while the dealing would take place two weeks later at the Chicago show.

Next year's show will begin on Sunday and conclude on Tuesday, a day earlier than the Monday through Wednesday format used for the first six editions. Frazier explained that dealers, who are usually closed on Sundays, will miss one less operating day. This change will also allow dealers to take advantage of discounted Saturday airfares, he noted.

The Outdoor Power Equipment Institute's lease with the Kentucky Exposition Center runs out after the 1990 show and it appears Louisville and Cleveland will be the main bidders for the 1991 edition and others to follow. A decision on the possible site change will be made in February.

Amdura board in limbo as investor makes hostile bid

(Continued from page 5)
"It's going to be a struggle for the next few months to digest what we've taken in," admitted Amdura's controller, Harry Larson.

Despite anticipating $800 million in sales this year—85 percent coming from distribution—Amdura posted an $8 million earnings loss in the first quarter, which it attributed to its purchase of Coast-America. It broke even in the second quarter and expects a soft third quarter before picking up again in the fourth.

Still, earnings have been erratic since 1984. The corporation posted profits of $6.5 million in 1988 and $15 million in 1987, but it lost money in the three previous years, including $70 million in 1986.

"They have lost money over most of the last five years, and all the while, management has paid itself fairly handsomely," said Skip Maples, an analyst with Piper Jaffray & Hopwood in Minneapolis.

Maples also believes the Coast acquisition was designed to ward off Cilluffo as he was buying up stock. Clearly, he said, it backfired if that was the intention.

Maples called the move to bring Schlesinger to the Amdura board "window dressing, but designed to show that Cilluffo means business."

Meanwhile, the question of why Cilluffo has targeted Amdura remains unanswered. He did not return repeated phone calls to his offices in New York and Portsmouth, N.H. But Don Cassidy, an analyst with Boettcher & Company in Colorado, believes Cilluffo recognizes the wealth of the hardlines industry.

Cassidy added that Amdura is a prime takeover target. With management strapped for cash, he said, the likelihood of it protecting itself through a leveraged buyout is remote.

He also believes the stock offering to retire the debt, depending on how it is issued, could dilute Cilluffo's voting rights. This, he said, is a major reason for Cilluffo's escalated interest in the company.

Ex Wickes Cos. vp picked to head Diamond parent

(Continued from page 5)
Schaffer left the company in late July to become president of Erb Lumber; vp-marketing Wayne Nalls and vp-merchandising Jim Collins were let go for budgetary reasons.

Diamond emerged from Chapter 11 bankruptcy last year, securing a $70 million credit line with the help of Michigan General, but some believe that Diamond, which had $273 million in 1988 sales, must develop into a more DIY-oriented business if it expects to survive.

Asked about this, Kritzer would not respond directly. He did say, however, that options are being considered. "It's going to depend on a lot of things," he said. "The locations, the population density and other factors."

Whirlwind tour

Despite planning a brief tenure at Michigan General, Kritzer is clearly determined to make an impact.

On the day he officially took over, July 31, he was about to board a plane for the Northeast, where he was scheduled to meet with regional and district managers.

From the Northeast, Kritzer said he would come back to the corporate headquarters here before visiting managers in California and Pacific Northwest.

"I've already looked at the books," he said. "Now I want a chance to have a ground-level view before any decisions are made."

Kritzer joins the company as several key executives have recently left.

Asked about the financial health of Diamond, Kritzer said he could not provide details beyond the fact that it is "maintaining its relationship with its creditors and paying its bills."

Diamond now has 14 outlets in the Northeast, two fewer than it did in early July. In closing its South Portland yard, said Diamond president Jerold Grubstein, the company combined operations with another Diamond yard 14 miles away, in Bideford.

"They were covering the same market," said Grubstein. "The economy can no longer support both."

However, the economy may have been only partly to blame for the closing of the yard in Grotton. The yard's former manager, 20-year Diamond veteran Tom Lenihan, left the company in March 1988 to start his own lumber business, and reportedly took a substantial number of customers with him.

Grubstein dismissed this as nothing unusual, saying, "Any time a manager leaves, a percentage of the business goes with him."

For his part, Grubstein said he was pleased to have Kritzer on board. "My reaction is very favorable," he said. "He adds a wealth of knowledge and experience to the company."

AHMA takes on new venture with co-op ad management service

(Continued from page 6)
Ramsey explained some large AHMA member companies using Adtech before the August agreement with AHMA would see a reduction in the cost of prior co-op servicing.

"Co-op advertising is an important, yet specialized, area in our members' marketing mixes," said AHMA president William P. Farrell in a prepared statement. "This service will save members time and money, and also alleviate the potential pitfalls associated with co-op claims, handling and management."

Ramsey explained the second major portion of the CHAMPS offering was called Quicklit, a marketing and promotion service. In it, Adtech offers line art and production of collateral (i.e., sales) literature, including four-color catalog printing, the warehousing of materials and distribution, including bulk mailing and list management.

The association's final CHAMPS offering is a Co-op and Promotion Consultation aimed at improving an AHMA member's co-op ad program. Through the end of 1990, Adtech is offering AHMA members a free half-day consultation in Indianapolis on starting, revamping or improving retail promotion programs, Ramsey said.

In addition to the AHMA agreement, Adtech, a 10-year-old co-op management firm, also handles the co-op claims service for some 1,000 Ace Hardware stores under a contract with the Oak Brook, Ill.-based buying group.

National Home Center News (ISSN 0192-6772) is published biweekly, 25 times a year, every other Monday, monthly in December, beginning with the third Monday in January; by Lebhar-Friedman Inc., 425 Park Ave., New York, NY 10022. Subscriptions are available at no charge to qualified retailers and wholesalers of lumber and building supplies and hardware. Paid subscriptions are available to nonqualifying retailers and wholesalers, and to manufacturers and others at $69 per year in the U.S.; $79 per year to Canada; $219 per year to all other countries (air mail only). Group subscriptions available in the U.S. (1-4 copies, $69; 5-19 copies, $64; 20 or more copies, $59). Single rate copy is $3 except last two May issues, first June issue (Annual Census Issues) $20 each, $48 for all three.

Second class postage paid at New York, N.Y., and additional mailing offices. Vol. 15, No. 18, Copyright© 1989 by Lebhar-Friedman Inc. All rights reserved. Postmaster: Please send address changes to Subscription Dept., National Home Center News, 305 Madison Ave., Suite 535, New York, N.Y. 10165-0079. For change of address six weeks is requested. Give old and new address and zip code. If possible, enclose address portion from cover on previous issue.

Vol. 15, No. 18 August 28, 1989

Index of Companies in This Issue

Ace Hardware 6,37
Adtech 6
Amdura Corp. 5,48
Andersen 44
Arnold Co. h6240
Atlas Tools 8
Bender Lumber 26
Black & Decker 7
Buckeye 50
Builderama 7
Builders Emporium 5
Builders Square 1,5,20,21,24,34,50
Caradco 44
Catalina Lighting 8
CertainTeed 44
Channel 6,7,50
Christina Lighting 8
Clorox Co. 50
CoastAmerica 5,48
Cole National Corp. 6
Cooper Industries 21
Cooper Tools 50
Cotter & Co. 50
Courtesy Home Centers 6
CQS Enterprises 50
Crestline 44
Crisp Automation 47
Daylin Corp. 5
Delaware Equipment 31
Diamond Lumber 5,52
Diamond Point Lumber 50
Dbdeline Lumber 50
Elf Aquitaine 31
Eljer 50
Erb Lumber 52
Ernst Home & Nursery 5
Evans Products 48
Farwell, Ozmun and Kirk 5
Fotomat 8
Four County Building Supply 48
Four Seasons Supply Center 37,38
Foxworth-Galbraith 20
Frank's Nursery 34
Frudden Lumber 48
Fullerton Lumber 48
Garden Supply 5
Gast & Sons 48
General Building Products 21
Georgia-Pacific 16,20
Gold Bond 16
Greenview 34
Grossman's 1,7,24,44,50,50,48
Hamaar Co. 50
Handy Andy 24,31,44
Handy City 50
Handy Dan 7,50
Harcros Timber and Building Supply 50
Hardware Wholesalers Inc. 7,26
Harrisons & Crosfield PLC 7
Hechinger 1,6,8,24,31,50
Henderson & Baird 21
Hines Nurseries 50
Home Depot 1,5,6,7,8,21,24, 31,50,50
Home Quarters Warehouse 44
HomeClub 6,24,31,32,34
Horizon Carpets 36
Houseworks! 7,50
Hunter Fan 50
HWI 50
Innovis Interactive Technologies 13
International Consumer Brands 8
Jaeger Lumber 38
Jay-K Lumber 21,34
John Deere Co. 32
Joy Technologies 47
K mart 5,26
Knox Lumber 7
Koos, Inc. 31
Lampert Lumber 1
Lebanon Chemical Co. 34
Liberty Distributors 7
Lowe's 21
L. S. Starrett 5
Lumberjack Ace Hardware 36
Makita 8
McCoys Building Supply Centers 6
Menard's 44,46
Merillat 36
Michigan General 5,52
Monte Lumber 48
Moore's 7,46,50
Moore's Wing Industries 50
Moss Manufacturing 8
Mr. Goodbuys 7,24,31,34
National Lumber 31
Newell Cos. 50
NHD Stores 5
Nortek 50
Ocean Film 50
Olahan Lumber 34
Olympic Stain 50
O. M. Scott & Sons 31,34
Orgill Brothers 7
Pax Company 34
Pay 'N Pak 8
Payless Cashways 7,19,20,21,36,48
Payless DIY 5
Pennington Seed 48
Pergament 8,24,31
Primacor 1
PRO Hardware 7
Randel Co. 48
Rickel 1,6,7,48
Rite Lumber and Building Suppliers 44
Rock County Lumber 1
Ryobi 50
Savannah Wholesale Co. 5
Scotty's 7
Sears 26
Shemin Nurseries 50
Sherwin-Williams 50
Simplicity Manufacturing Co. 6,32,48
Skil Corp. 7
Somerville Lumber 44
South States 21
Square D 47
Stanley Door Systems 44
Star Lumber 21,34
Street Lumber Corp. 20
Sun West 50
Supermarkets General Corp. 1
Target 26
The Andersons 31
The Boots Company 5
The Stanley Works 50
Trade Associates 8
Triangle Building Centers 6
United Building Centers 1,48
Universal Rundle 50
Vasper Corp. 44
Vermont American 50
Weben Inc. 6
Wal-Mart 5,26
Ward White 5
Westlake Hardware 7
Weyerhaeuser 5,13
Weyerhaeuser Garden Supply 50
Wickes Cos. 5,16
Wickes Lumber 26
Wight Nurseries 50
Woodbury & Sons 50
Zayre Corp. 8
Zeller True Value Hardware 31,32

Sunset
BOOKS & VIDEO

When your customers know how, they will buy the tools and the materials *you* sell!

Lane Publishing Co., 80 Willow Rd, Menlo Park, CA 94025-3691
800/227-7346, In California, 800/321-0372

Circle 43 on Reader Service Card

Advertisers Index

Boldface denotes reader service number

CertainTeed 22,23, 16
Cole Sewell 8, 7
Colorite Plastics 24, 19
Cooper Tools 35, 38
Croft Metal/Design 27, 42
Design House 37, 39
Diamond F Corp. 37, 32
Dutch Boy 39, 28
Furman Lumber 37, 34
Genova 54, 49
Georgia Pacific 20,23, 22
Glidden & Co. 9, 2
GTE Sylvania 8, 3
Handy Store Fixtures 13, 14
Harvard Ind./Anchor Swan 28, 29
Honeywell 38, 27
Hunter Company 18, 17
ICI 51, 42
International Consumer Brands 32, 25
International Consumer Brands 26, 21
Keystone Franklin 33, 29
Kraus Fiber Glass 27, 31
Lane Publications 52, 43
Lanson Manufacturing 36, 30
Mapico Adhesives 34, 27
Mechlenburg-Duncan 10, 9
Mobil Electronics 8, 5
Mohawk Flooring 8, 6
NISA/Pro Chef 45, 41
Miami-Carey 40, 40
National Manufacturing 37, 33
National Store Fixtures 8, 4
Ozone Corning 14,15, 15
Philips Lighting 13, 12
Roto Frank of America 53, 44
Schlage Lock 13, 11
Stanley Door Systems 13, 10
Steel City Corp. 25, 20
The Radon Project 30, 24
Universal-Rundle 39, 36
USG Interiors 30, 26
Vesman Industries 9, 8
Weiser Lock 17, 18
Weyerhaeuser Wood 2,3,4, 1
W.W. Henry 13, 13

This index has been compiled for the convenience of our advertisers and readers. While every precaution is taken to prevent mistakes, the publishers cannot be held responsible for errors or omissions.